

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF IOWA**

In re:	)	
	)	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> ,	)	
	)	Case No. 23-00623 (TJC)
Debtors.	)	
	)	Jointly Administered
	)	
	)	Obj. Deadline: 6/20/24 at 4:00 p.m. (CT)
	)	

**SUMMARY OF NINTH MONTHLY FEE APPLICATION OF  
MCDERMOTT WILL & EMERY LLP, COUNSEL TO THE DEBTORS AND  
DEBTORS-IN-POSSESSION, FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES**

Name of Applicant:	McDERMOTT WILL & EMERY LLP
Authorized to provide professional services to:	Debtors and Debtors-in-Possession
Date of retention:	September 14, 2023, effective as of August 7, 2023
Period for which compensation and reimbursement is sought:	April 1, 2024 through April 30, 2024
Amount of compensation sought as actual, reasonable and necessary:	\$181,061.60 (80% of \$226,327.00) <sup>1</sup>
Amount of expense reimbursement sought as actual, reasonable and necessary:	\$1,663.77
This is a:	Ninth Monthly Application

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<sup>1</sup> This amount does not reflect \$2,760.43, including \$714.00 in incurred fees and \$2,046.43 in incurred expenses, that McDermott has voluntarily written off with respect to the Application Period (as defined herein).

**Prior Applications:**

<b>Application</b>	<b>Date Filed</b>	<b>Period Covered</b>	<b>Requested Fees/Expenses</b>	<b>Approved Fees/Expenses</b>
<b>First Monthly [D.I. 348]</b>	10/9/23	8/7/23 – 8/31/23	\$738,318.00 / \$4,741.38	<i>Pending</i>
<b>Second Monthly [D.I. 502]</b>	11/10/23	9/1/23 – 9/30/23	\$649,102.80 / \$3,346.20	<i>Pending</i>
<b>Third Monthly [D.I. 532]</b>	11/27/23	10/1/23 – 10/31/23	\$450,968.00 / \$5,638.37	<i>Pending</i>
<b>Fourth Monthly [D.I. 574]</b>	12/15/23	11/1/23 – 11/31/23	\$289,259.20 / \$4,988.95	<i>Pending</i>
<b>Fifth Monthly [D.I. 817]</b>	3/8/24	12/1/23 – 12/31/23	\$212,868.40 / \$266,085.50	<i>Pending</i>
<b>Sixth Monthly [D.I. 819]</b>	3/8/24	1/1/24 – 1/31/24	\$552,393.60 / \$2,999.00	<i>Pending</i>
<b>Seventh Monthly [D.I. 948]</b>	4/10/24	2/1/24 – 2/29/24	\$262,797.20 / \$1,452.41	<i>Pending</i>
<b>Eighth Monthly [D.I. 1021]</b>	5/6/24	3/1/24 – 3/31/24	\$380,938.80 / \$3,703.82	<i>Pending</i>

**MERCY HOSPITAL IOWA CITY, IOWA, ET AL.  
COUNSEL TO DEBTORS AND DEBTORS-IN-POSSESSION  
SUMMARY OF BILLING BY PROFESSIONAL FOR APPLICATION PERIOD**

<b>Name of Professional Person</b>	<b>Date of Bar Admission</b>	<b>Position with the Applicant and Practice Area</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Felicia Gerber Perlman	1992	Partner; Corporate Advisory	\$1,850	8.5	\$15,725.00
James W. Kapp	1994	Partner; Corporate Advisory	\$1,450	55.8	\$80,910.00
Jeffrey M. Holdvogt	2003	Partner; Employee Benefits and Executive Compensation	\$1,450	4.0	\$5,800.00
Daniel M. Simon	2008	Partner; Corporate Advisory	\$1,450	17.1	\$24,795.00
Nathan M. Bull	2006	Partner; Trial	\$1,410	3.3	\$4,653.00
Jay E. Greathouse	2012	Partner; Healthcare	\$1,300	3.9	\$5,070.00
Emily C. Keil	2018	Associate; Corporate Advisory	\$1,105	72.9	\$80,554.50
Benjamin S. Paulsen	2018	Associate; Private Client	\$1,060	5.2	\$5,512.00
Dexter Golinghorst	2021	Associate; Healthcare	\$945	3.5	\$3,307.50
<b>TOTALS</b>				<b>174.2</b>	<b>\$226,327.00</b>

**MERCY HOSPITAL IOWA CITY, IOWA, ET AL.  
COUNSEL TO DEBTORS AND DEBTORS-IN-POSSESSION  
COMPENSATION BY PROJECT CATEGORY FOR APPLICATION PERIOD**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
Asset Disposition	62.4	\$87,920.50
Meetings/Communications with Creditors	2.3	\$2,541.50
Fee/Employment Applications	7.9	\$8,902.00
Fee/Employment Objections	0.2	\$221.00
Other Contested Matters	4.2	\$6,450.00
Business Operations	2.2	\$3,190.00
Employee Benefits/Pensions	6.4	\$8,866.00
Board of Director Matters	1.5	\$2,775.00
Plan and Disclosure Statement	78.6	\$95,296.00
Litigation	8.5	\$10,165.00
<b>TOTALS</b>	<b>174.2</b>	<b>\$226,327.00</b>

**MERCY HOSPITAL IOWA CITY, IOWA, ET AL.  
COUNSEL TO DEBTORS AND DEBTORS-IN-POSSESSION  
EXPENSE SUMMARY FOR APPLICATION PERIOD**

<b>Expense Category<sup>1</sup></b>	<b>Service Provider (if applicable)</b>	<b>Total Expenses</b>
Notary Expenses	BMO Harris Bank	\$25.00
Travel Expenses	Various	\$1,638.77
<b>TOTAL</b>		<b>\$1,663.77</b>

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<sup>1</sup> McDermott voluntarily waived all Westlaw and LexisNexis charges, all computer data storage charges incurred as part of the discovery process during the Application Period for a total voluntary write-off of \$2,046.43.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF IOWA**

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In re:

MERCY HOSPITAL, IOWA CITY, IOWA, *et al.*,

Debtors.

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)  
) Chapter 11  
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) Case No. 23-00623 (TJC)  
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) Jointly Administered  
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) **Obj. Deadline: 6/20/24 at 4:00 p.m. (CT)**  
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**NINTH MONTHLY FEE APPLICATION OF MCDERMOTT WILL & EMERY LLP,  
COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION, FOR ALLOWANCE  
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

McDermott Will & Emery LLP (the “Applicant” or “McDermott”), counsel to Mercy Hospital, Iowa City, Iowa (“Mercy”) and certain of its affiliates and subsidiaries as debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), hereby applies (the “Application”), pursuant to sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 224] (the “Interim Compensation Order”),<sup>1</sup> for allowance of compensation for services rendered and reimbursement of expenses for the period from April 1, 2024 through April 30, 2024 (the “Application Period”), and respectfully represents as follows:

**JURISDICTION AND VENUE**

1. The United States Bankruptcy Court for the Northern District of Iowa (the “Court”) has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Public*

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to such items in the Interim Compensation Order.

*Administrative Order* referring bankruptcy cases entered by the United States District Court for the Northern District of Iowa. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

2. The legal predicates for the relief requested herein are Bankruptcy Code sections 330 and 331 and Bankruptcy Rule 2016. McDermott confirms its consent to the entry of a final order by the Court in connection with the Application in the event that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

### **BACKGROUND**

#### **I. The Chapter 11 Cases**

3. On August 7, 2023 (the “Petition Date”), each of the Debtors commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”). The Chapter 11 Cases are being jointly administered for procedural purposes only.

4. The Debtors continue to operate their businesses and manage their properties as debtors and debtors-in-possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

5. On August 15, 2023, the Office of the United States Trustee for the Northern District of Iowa (the “U.S. Trustee”) appointed an official committee of unsecured creditors (the “Committee”) in the Chapter 11 Cases [Docket No. 107]. On November 4, 2023, the U.S. Trustee appointed an official committee of pensioners (the “Pension Committee”) [Docket No. 458]. No trustee or examiner has been appointed in the Chapter 11 Cases.

6. Additional information regarding the Debtors and these Chapter 11 Cases, including the Debtors’ business operations, capital structure, financial condition, and the reasons for and objectives of these Chapter 11 Cases, is set forth in the *Declaration of Mark E. Toney in*

*Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 27] (the “First Day Declaration”).

## **II. The Retention of McDermott**

7. On August 23, 2023, the Debtors applied [Docket No. 148] (the “McDermott Retention Application”) to the Court for an order authorizing the Debtors to retain and employ McDermott as its counsel, effective as of August 7, 2023. On September 14, 2023, the Court entered an order [Docket No. 226] authorizing such retention.

## **III. The Interim Compensation Order**

8. On September 14, 2023, the Court entered the Interim Compensation Order, which sets the procedures for interim compensation and reimbursement of expenses in the Chapter 11 Cases. Specifically, the Interim Compensation Order provides that a Retained Professional may file and serve a Monthly Fee Application on or after the 15th day of each month following the month for which compensation is sought. Provided that there are no objections to the Monthly Fee Application filed within 14 days after service of the same, the Debtors are authorized to pay such Retained Professional eighty percent (80%) of the fees and one-hundred percent (100%) of the expenses requested in such Monthly Fee Application. If an objection is filed to the Monthly Fee Application and the parties reach a consensual resolution, the Debtors are authorized to pay eighty percent (80%) of the agreed-upon fees and one-hundred percent (100%) of the agreed-upon expenses.

## **RELIEF REQUESTED**

9. Pursuant to the Interim Compensation Order and Bankruptcy Code section 331, McDermott is seeking compensation in the amount of \$181,061.60, which is equal to eighty percent (80%) of the \$226,327.00 in fees for professional services rendered by McDermott during



the Application Period. This amount is derived solely from the applicable hourly billing rates of McDermott's personnel who rendered such services to the Debtors. In addition, McDermott is seeking reimbursement of expenses incurred during the Application Period in the amount of \$1,663.77.

**A. Compensation Requested**

10. Attached hereto as **Exhibit A** is a detailed itemization, by project category, of all services performed by McDermott with respect to the Chapter 11 Cases during the Application Period. This detailed itemization complies with the Interim Compensation Order and Bankruptcy Rule 2016 in that each time entry contains a separate time allotment, a description of the type of activity, and the subject matter of the activity, all time is billed in increments of one-tenth of an hour, time entries are presented chronologically in categories, and all meetings or hearings are individually identified.

11. The attorneys and paraprofessionals who rendered services related to each category are identified in **Exhibit A**, along with the number of hours for each individual and the total compensation sought for each category.

**B. Expense Reimbursement**

12. McDermott incurred out-of-pocket expenses during the Application Period in the amount of \$1,663.77. Attached hereto as **Exhibit B** are descriptions of the expenses actually incurred by McDermott in the performance of services rendered as counsel to the Debtors. The expenses are broken down into categories of charges, including travel expenses and cost of auction transcripts.<sup>2</sup>

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<sup>2</sup> As discussed herein, McDermott voluntarily waived all Westlaw and LexisNexis charges, all computer data storage charges incurred as part of the discovery process during the Application Period for a total voluntary write-off of \$2,046.43.

### **VALUATION OF SERVICES**

13. Attorneys and paraprofessionals of McDermott have expended a total of 174.2 hours in connection with this matter during the Application Period. The amount of time spent by each of the professionals providing services to the Debtors for the Application Period is set forth in **Exhibit A**. The reasonable value of the services rendered by McDermott for the Application Period as counsel for the Debtors in the Chapter 11 Cases is \$226,327.00.

### **BASIS FOR RELIEF REQUESTED AND APPLICABLE AUTHORITY**

14. Bankruptcy Code section 330(a) provides, in pertinent part, that:

[T]he court may award . . . ***reasonable compensation*** for actual, necessary services rendered by the . . . attorney and by any paraprofessional person . . . and . . . reimbursement for actual, necessary expenses. . . . In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including – (A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under [the Bankruptcy Code]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable, based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a) (emphasis added). The Eighth Circuit Court of Appeals has stated:

“[Reasonable] [c]ompensation . . . presumably reflects (1) the novelty and complexity of the issues, (2) the special skill and experience of counsel, (3) the quality of representation, and (4) the results obtained.”

*P.A. Novelty v. Palans (In re Apex Oil Co.)*, 960 F.2d 728, 731–32 (8th Cir. 1992).

15. In reviewing this Application, the Court should be guided by the Eighth Circuit’s instruction to ascertain whether such services were rendered and billed in accordance with the established market for legal services in similar matters:

Section 330 “is meant to encourage high standards of professional legal practice in the bankruptcy courts. . . . Bankruptcy courts must consider whether the fee

awards are commensurate with fees for professional services in non-bankruptcy cases, thus providing sufficient economic incentive to practice in bankruptcy courts.”

*Mann v. McCombs (In re McCombs)*, 751 F.2d 286, 288 (8th Cir. 1984); *see also In re Continental Illinois Securities Litigation*, 962 F.2d 566, 568 (7th Cir. 1992) (“[I]t is not the function of judges in fee litigation to determine the equivalent of the medieval just price. It is so to determine what the lawyer would receive if he was selling his services in the market rather than being paid by court order.”).

16. In accordance with the factors enumerated in Bankruptcy Code section 330, McDermott submits that the amount requested is fair and reasonable given (a) the complexity of the Chapter 11 Cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title. The fees charged by McDermott in these Chapter 11 Cases were billed in accordance with its existing billing rates and procedures set forth in the McDermott Retention Application, in effect during the Application Period. McDermott’s rates for the services rendered by its attorneys and paraprofessionals in these Chapter 11 Cases are the same rates that McDermott charges for services rendered in comparable non-bankruptcy matters. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable non-bankruptcy cases in a competitive national legal market.

17. McDermott reserves the right to correct, amend, or supplement this Application, including, without limitation, to seek payment in the event this Application is not approved in full.

#### **NO PRIOR REQUEST**

18. No prior request for the relief sought in the Application has been made to this or any other court.

**CONCLUSION**

WHEREFORE, McDermott respectfully requests that the Court enter an Order: (i) granting the Application and authorizing (a) allowance of compensation in the amount of \$181,061.60 (80% of \$226,327.00) for professional services rendered, and (b) reimbursement for actual and necessary costs in the amount of \$1,663.77; (ii) directing payment by the Debtors of the foregoing amounts; and (iii) granting such other further relief as the Court deems just and proper.

Dated: Cedar Rapids, Iowa  
June 6, 2024

**NYEMASTER GOODE, P.C.**

/s/ Roy Leaf

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- and -

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- and -

**MCDERMOTT WILL & EMERY LLP**

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ekeil@mwe.com

*Counsel for Debtors and Debtors-in-Possession*

**CERTIFICATE OF SERVICE**

The undersigned certifies, under penalty of perjury, that on this June 6, 2024, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of the Chapter 11 Cases.

/s/ Roy Leaf

**EXHIBIT A**

**Time Detail**



Invoice: 3897370  
Client: 104125

05/29/2024

Mercy Hospital, Iowa City, Iowa  
500 East Market Street  
Iowa City, IA 52245

For Services Rendered in Connection with:

Matter: 0013 Chapter 11 Bankruptcy

Task	Date	Name	Hours	Description
B130	04/01/24	J. Kapp	3.50	Research issues pertaining to ICASC stay proposed consensual order (3.5).
B130	04/01/24	E. Keil	0.30	Review sale distribution order (.2); correspondence with R. Leaf re same (.1).
B130	04/01/24	D. Golinghorst	0.80	Draft analysis and correspondence re HR data extraction (.8).
B130	04/02/24	D. Simon	0.30	Communications with J. Kapp re ASC order (.3).
B130	04/02/24	J. Kapp	2.80	Correspond with D. Simon re stipulated order (.2); review D. Simon revisions to same (.2); revise order and attend to issues re same (.8); review operating agreement and case law re related issue (.9); correspond with M. Gustafson re same (.2); review stipulated order re distribution of sale proceeds to master trustee (.4); review proceeding order re ICASC stay motion (.1).
B130	04/03/24	J. Kapp	1.30	Multiple correspondence with M. Gustafson re consensual order re ICASC stay motion (.3); review revised order from M. Gustafson (.2); correspond with D. Simon and J. Greathouse re same and attend to issues raised by same (.8).
B130	04/03/24	D. Golinghorst	0.20	Review and analyze correspondence re HR data and STAR ratings (.2).
B130	04/04/24	J. Kapp	3.20	Review and revise proposed consensual order re ICASC stay motion and various correspondence with M. Gustafson, D. Simon, R. Leaf and M. Preusker re same (.9); correspondence with D. Orman, M. Toney and D. Simon re marketing of ICASC and issues re same (.4); review marketing agreement and underlying operating agreement re same (1.8); correspondence with M. Gustafson re issues filing consensual order (.1).



**McDermott  
Will & Emery**

Mercy Hospital, Iowa City, Iowa

Client: 104125  
Invoice: 3897370  
Invoice Date: 05/29/2024

Task	Date	Name	Hours	Description
B130	04/04/24	D. Golinghorst	0.10	Review and analyze correspondence re data submission and extraction (.1).
B130	04/04/24	D. Simon	0.30	Conference with H2C re ASC issues (.3).
B130	04/05/24	J. Kapp	2.50	Correspond with D. Simon and E. Keil re status hearing re ICASC stay motion (.4); review entered order re same (.1); correspond with M. Preusker and D. Simon re ICASC valuation issues (.4); attend to valuation process issues re same (1.6).
B130	04/08/24	J. Kapp	4.20	Correspondence with M. Preusker re potential interest re ICACS and valuation issues (.4); review operating agreement and outline potential valuation issues re same (1.2); research re same (2.4); correspond with D. Simon re same (.2).
B130	04/09/24	J. Kapp	1.90	Conference with M. Preusker, D. Simon, K. Walsh and N. Coco re ICASC sale process (.6); correspond with D. Simon re same and follow-up re same (.9); correspond with R. Bayman, D. Orman, M. Toney and D. Simon re ICASC sale process and issues re same (.4).
B130	04/09/24	D. Simon	0.70	Conference with Mintz re ASC issues (.5); conference with R. Bayman re same (.2).
B130	04/10/24	J. Kapp	3.80	Conference with R. Bayman, D. Simon, D. Orman and others re ICASC sales process (.6); follow-up with D. Simon re same and follow-up (.4); correspond with M. Preusker re next steps in ICASC sale process and issues re same (.2); continue outline of valuation process and review underlying documents re same (2.6).
B130	04/10/24	D. Simon	0.50	Conference with client and H2C re ASC next steps (.5).
B130	04/11/24	J. Kapp	5.20	Correspondence with M. Preusker re unit purchase price formula (.5); review operating agreement and research re same (4.3); correspond with D. Simon, M. Toney and others re same (.4).
B130	04/12/24	J. Kapp	1.60	Review nonbinding LOIs for ICASC (.3); review summary of LOIs from D. Orman (.1); correspond with D. Orman re LOI contingencies and follow-up re same (.8); correspondence with M. Preusker re valuation process and issues re same (.4).
B130	04/15/24	D. Golinghorst	0.40	Review and analyze correspondence re post-closing





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Will & Emery**

Mercy Hospital, Iowa City, Iowa

Client: 104125  
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Task	Date	Name	Hours	Description
				matters (.4).
B130	04/16/24	D. Golinghorst	0.60	Review correspondence re Medicare payments matter (.2); review APA and draft analysis of obligations re same (.4).
B130	04/16/24	J. Kapp	2.90	Various correspondence from D. Orman, D. Simon, M. Toney and J. Porter re ICASC sale process and letters of intent re same (.8); review and attend to issues re letters of intent (.9); correspond with M. Preusker and K. Walsh re sale/valuation process (.8); follow-up correspondence with D. Simon and others re same (.4).
B130	04/17/24	D. Golinghorst	0.50	Conference with Mercy and UIHC re HR data transfer matter and next steps re same (.5).
B130	04/17/24	E. Keil	0.30	Conference with R. Leaf re motion to sell interest in trust (.3).
B130	04/17/24	J. Kapp	2.40	Correspondence from D. Simon and D. Orman re next steps re ISASC sale process and follow-up re same (.8); correspondence with M. Preusker re unit purchase price formula and review agreement re same (1.6).
B130	04/17/24	J. Greathouse	0.50	Conference with Mercy, UHIC re HR data (.5).
B130	04/17/24	D. Simon	0.30	Communications with Mercy, ASC re ASC issues (.3).
B130	04/18/24	J. Kapp	1.30	Correspondence with D. Orman and D. Simon re ISASC sale process (.5); attend to issues re same (.8).
B130	04/18/24	J. Greathouse	0.50	Conference with D. Simon and J. Porter re AR and transition issues (.5).
B130	04/18/24	D. Simon	0.50	Conference with Mercy re sale transition issues (.5).
B130	04/19/24	J. Kapp	3.20	Conference with D. Simon, D. Orman, R. Bayman, J. Porter and others re indications of interest re ICASC and next steps (.6); correspond with M. Preusker and D. Orman re same (.3); correspondence from D. Orman re indications of interest and comparisons re same (.3); correspondence re interest in Melrose (.4); review operating agreement re same (1.6).
B130	04/19/24	J. Greathouse	0.50	Conference re ICASC next steps (.5).
B130	04/19/24	D. Golinghorst	0.90	Review and analyze Melrose Meadows operating agreement (.6); draft analysis of dissolution event



**McDermott  
Will & Emery**

Mercy Hospital, Iowa City, Iowa

Client: 104125  
Invoice: 3897370  
Invoice Date: 05/29/2024

Task	Date	Name	Hours	Description
				triggers (.3).
B130	04/19/24	D. Simon	0.60	Conference with client re ASC strategy (.6).
B130	04/22/24	J. Kapp	2.50	Correspondence with D. Simon, E. Keil and W. Henrich re ICASC sale process and compile applicable documents re same (.7); correspond with D. Orman and M. Preusker re ICASC sale process (.4); continue review of Melrose operating agreement (1.4).
B130	04/22/24	D. Simon	1.50	Conference with client and B. Henrich re ASC strategy (.5); conference with TKP re sale and wind-down issues and strategies (1.0).
B130	04/22/24	J. Greathouse	0.80	Conference with MIC re various TSA and post-closing matters (.8).
B130	04/23/24	J. Kapp	2.00	Conference with M. Preusker, D. Simon, W. Henrich, K. Walsh, N. Coco, D. Orman and others re ICACS sale process (.8); correspond with D. Simon and D. Orman re same (.4); follow-up re same (.8).
B130	04/24/24	J. Kapp	1.20	Correspondence from D. Orman and D. Simon re ISASC sale and valuation process (.4); attend to issues re valuation/sale process (.8).
B130	04/24/24	J. Greathouse	0.50	Conference with Polsinelli re various TSA and post-closing matters (.5).
B130	04/24/24	D. Simon	0.80	Conference with Polsinelli re TSA extension and related issues (.6); communications with client re same (.2).
B130	04/25/24	J. Greathouse	1.10	Review correspondence from R. Bayman and D. Orman re Melrose Meadow's operating agreement (.2); analyze operating agreement (.7); draft response to R. Bayman and D. Orman re same (.2).
B130	04/25/24	J. Kapp	1.60	Correspond with D. Simon and M. Gustafson re ICACS valuation/sale process (.4); follow-up re same and review prior correspondence/consensual order re same (.7); correspond with D. Orman and D. Simon re indications of interest re ISCASC and issues re same (.5).
B130	04/29/24	J. Kapp	0.60	Correspondence with D. Orman and D. Simon re ICASC sale process (.4); correspond with M. Gustafson re same (.2).
B130	04/30/24	J. Kapp	1.20	Correspondence with M. Gustafson and D. Simon re



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Client: 104125  
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Task	Date	Name	Hours	Description
				valuation process and related issues (.4); follow-up re same (.8).
B150	04/15/24	E. Keil	0.80	Conferences with creditors re solicitation notices (.5); correspondence with Epiq re same (.3).
B150	04/16/24	E. Keil	0.60	Conferences with creditors re notices (.4); correspondence with Epiq re same (.2).
B150	04/17/24	E. Keil	0.30	Conferences and correspondence with Epiq re creditor calls (.3).
B150	04/23/24	E. Keil	0.60	Correspondence and conferences with creditors re solicitation (.4); correspondence with Epiq team re same (.2).
B160	04/01/24	E. Keil	1.90	Review MWE invoices for privilege issues and compliance with Local Rules (1.5); draft February fee application (.4).
B160	04/03/24	D. Simon	0.50	Call with H2C counsel re H2C fee application (.5).
B160	04/04/24	E. Keil	0.90	Review and revise invoices for privilege issues and compliance with Local Rules (.9).
B160	04/05/24	E. Keil	0.80	Review and revise invoices for privilege issues and compliance with Local Rules (.8).
B160	04/10/24	E. Keil	1.00	Finalize MWE February fee application for filing (.4); review March invoices for privilege issues and compliance with Local Rules (.6).
B160	04/17/24	E. Keil	1.20	Review time detail for privilege issues and compliance with local rules (.8); revise March fee application (.4).
B160	04/22/24	E. Keil	0.40	Revise March fee application (.4).
B160	04/23/24	E. Keil	0.80	Conferences with R. Leaf, K. Borokin re OCP (.6); draft notices re same (.2).
B160	04/30/24	E. Keil	0.40	Revise OCP quarterly statement (.1); revise notice of same (.1); correspondence with K. Borodkin re same (.1); correspondence with R. Leaf re same (.1).
B170	04/24/24	E. Keil	0.20	Review UST fee objection (.2).
B190	04/03/24	D. Simon	1.10	Conference with client re potential MercyOne strategy (.6); review documents re same (.5).
B190	04/03/24	F. Perlman	0.90	Prepare for and conference with MWE, Mercy re MercyOne (.9).
B190	04/04/24	D. Simon	0.70	Conference with N. Bull re University litigation hold issues (.4); communications with R. Leaf re insurance issues and related litigation (.3).
B190	04/05/24	D. Simon	0.30	Discuss MercyOne issues with client (.3).



**McDermott  
Will & Emery**

Mercy Hospital, Iowa City, Iowa

Client: 104125  
Invoice: 3897370  
Invoice Date: 05/29/2024

Task	Date	Name	Hours	Description
B190	04/09/24	D. Simon	0.80	Conference with Mintz re MercyOne negotiations (.4); communications with client re same (.4).
B190	04/11/24	D. Simon	0.40	Conference with MercyOne re settlement (.4).
B210	04/10/24	D. Simon	1.00	Review and revise board presentation (.4); conferences with client re same (.6).
B210	04/11/24	D. Simon	1.20	Prepare for and attend board of directors meeting (1.2).
B220	04/03/24	J. Holdvogt	0.20	Correspondence to and from P. Brubaker re MIC tax filings and forms for pension plan (.2).
B220	04/11/24	J. Holdvogt	0.50	Prepare outline of timeline for pension termination process (.5).
B220	04/23/24	J. Holdvogt	1.50	Conferences with Mercy team re pension issues and options (.8); review and confirm IRS guidance re church plan sponsorship issues for potential new structure (.7).
B220	04/23/24	D. Simon	1.20	Prepare for and attend pension call (1.2).
B220	04/25/24	J. Holdvogt	0.50	Conferences with Mercy team re pension issues and options (.5).
B220	04/26/24	J. Holdvogt	0.80	Conferences with Mercy team re pension issues and options (.4); prepare due diligence questions reg ongoing church plan status (.2); coordinate with E. Keil re pension plan sponsor structure (.2).
B220	04/29/24	E. Keil	1.00	Conference with Pension Committee, UCC, Bondholders re structure for pension (.4); conference with R. Leaf re same (.6).
B220	04/30/24	E. Keil	0.20	Conference with R. Leaf re pension plan (.2).
B220	04/30/24	J. Holdvogt	0.50	Review and analysis of issues with Deloitte pension termination timeline (.5).
B260	04/11/24	F. Perlman	1.50	Prepare for and attend board meeting (1.5).
B320	04/01/24	F. Perlman	1.90	Revise plan, disclosure statement and solicitation procedures (1.9).
B320	04/01/24	E. Keil	2.40	Revise solicitation procedures order (.8); conference with UCC counsel re same (.2); revise plan/DS (.5); correspondence with Epiq team re solicitation (.3); revise solicitation materials (.6).
B320	04/01/24	D. Simon	0.50	Multiple communications re finalization of plan and related documents (.5).
B320	04/02/24	D. Simon	0.30	Communications with E. Keil re plan revisions (.3).
B320	04/02/24	E. Keil	3.40	Revise plan/DS for solicitation (1.9); conferences with R. Leaf, D. Simon re same (.8); correspondence



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Task	Date	Name	Hours	Description
				with UCC, Bondholder Representatives, Pension Committee re same (.3); revise solicitation procedures order (.3); correspondence with UCC, Bondholder Representatives, Pension Committee re same (.1).
B320	04/02/24	F. Perlman	1.60	Finalize plan and disclosure statement (1.6).
B320	04/03/24	E. Keil	3.30	Finalize plan for solicitation (.8); finalize solicitation procedures order and related exhibits (.4); correspondence with M. Toney, UCC, Pension Committee, et al. re same (.2); finalize solicitation materials (1.2); conferences, correspondence with Epiq team re solicitation workstreams (.7).
B320	04/03/24	J. Kapp	1.70	Review disclosure statement order (.9); review revised disclosure statement (.8).
B320	04/04/24	J. Kapp	0.80	Review notice of revised plan and review revisions to same (.8).
B320	04/04/24	E. Keil	1.00	Conferences and correspondence with R. Leaf, E. Young re solicitation (.4); finalize notices, ballots, et al. re same (.6).
B320	04/05/24	E. Keil	0.90	Draft Toney declaration in support of confirmation (.9).
B320	04/08/24	E. Keil	6.00	Continue to draft Toney declaration re confirmation (3.1); draft brief in support of confirmation (2.9).
B320	04/09/24	E. Keil	5.10	Draft confirmation brief (4.7); revise Toney declaration re same (.4).
B320	04/10/24	E. Keil	2.40	Draft confirmation order (1.3); revise Toney declaration (.6); correspondence with M. Toney re confirmation timeline (.1); draft confirmation brief (.4).
B320	04/11/24	E. Keil	5.10	Correspondence and conferences with MercyOne re settlement (.6); revise confirmation brief (2.4); research re Iowa / Eighth Circuit law re same (1.3); revise Toney declaration (.8).
B320	04/12/24	E. Keil	2.80	Correspondence with UCC, Bondholders re liquidation trust agreement (.3); revise plan (.3); revise voting certification (.5); continue to draft confirmation order (1.7).
B320	04/12/24	J. Kapp	3.80	Continue review of revised plan and disclosure statement (3.8).
B320	04/16/24	E. Keil	0.40	Draft voting certification (.4).



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Mercy Hospital, Iowa City, Iowa

Client: 104125  
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Task	Date	Name	Hours	Description
B320	04/16/24	D. Simon	0.40	Revise potential plan analysis (.4).
B320	04/17/24	E. Keil	1.40	Revise voting certification (.5); correspondence with Epiq re same (.1); revise confirmation brief (.8).
B320	04/18/24	E. Keil	1.30	Revise confirmation brief (1.3).
B320	04/19/24	E. Keil	4.40	Revise confirmation brief, confirmation order, Toney declaration (4.2); conference with R. Leaf re pension solicitation (.2).
B320	04/22/24	E. Keil	1.30	Correspondence re liquidation trust agreement (.1); revise plan/DS (.3); conference with R. Leaf re same (.2); correspondence with W. Henrich re same (.1); review 3018 motion (.2); review tabulation report (.2); revise voting certification draft (.2).
B320	04/22/24	F. Perlman	0.80	Attention to liquidation trust (.4); analysis re pension options (.4).
B320	04/22/24	D. Simon	1.20	Review and revise confirmation related materials (1.2).
B320	04/23/24	E. Keil	5.50	Correspondence with Epiq re solicitation (.3); review and revise liquidation trust agreement (1.3); conference with R. Leaf re same, plan supplement (.9); draft plan supplement notice (.5); revise confirmation order (2.5).
B320	04/23/24	F. Perlman	0.50	Conference re pension restructuring issues and analysis same (.5).
B320	04/24/24	E. Keil	2.30	Revise Liquidation Trust Agreement (.6); correspondence with UCC, Pension Committee, et al. re same (.2); revise plan re same (.3); revise confirmation brief (1.2).
B320	04/24/24	D. Simon	0.70	Communications with R. Leaf and others re plan and pension issues (.7).
B320	04/25/24	E. Keil	3.20	Conference with R. Leaf re go-forward workstreams (.3); revise plan supplement items (.4); revise notice of same (.1); correspondence with UCC re Pension Plan Administrator, plan supplement items (.2); revise plan re liquidation trust agreement (.2); revise confirmation brief (1.3); revise confirmation order (.7).
B320	04/25/24	F. Perlman	0.50	Work on plan supplement and pension strategy (.5).
B320	04/25/24	D. Simon	0.80	Communications with R. Leaf and E. Keil re pension and plan related issues (.8).
B320	04/26/24	E. Keil	6.30	Revise confirmation order (5.1); conference with R.





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Mercy Hospital, Iowa City, Iowa

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Task	Date	Name	Hours	Description
				Leaf, P. Roby re go-forward pension structure (.3); conference with R. Leaf re mechanics for same in plan (.9).
B320	04/28/24	E. Keil	1.60	Correspondence with UCC, Pension Committee, et al. re liquidation trust agreement (.2); review revised liquidation trust agreement (1.4).
B320	04/29/24	J. Kapp	0.60	Review modified plan supplement (.6).
B320	04/29/24	F. Perlman	0.80	Follow up re pension strategy and liquidating trust agreement (.8).
B320	04/29/24	E. Keil	1.10	Revise notice of plan supplement (.4); correspondence with UCC, Pension Committee, et al. re liquidation trust agreement (.2); revise plan re same (.2); review tabulation report (.3).
B320	04/30/24	D. Simon	0.50	Conference with N. Coco re various plan related issues (.3); conference with J. Porter re same (.2).
B470	04/04/24	N. Bull	0.40	Conference with D. Simon re MercyOne (.4).
B470	04/06/24	N. Bull	0.70	Review memorandum re MercyOne (.7).
B470	04/09/24	B. Paulsen	1.90	Meeting with N. Bull re potential claims (.4); review management agreement and related documents concerning potential claims (1.5).
B470	04/09/24	N. Bull	0.50	Conference with B. Paulsen re MercyOne and review memorandum (.5).
B470	04/10/24	B. Paulsen	0.30	Conference with M. Toney, D. Simon and N. Bull concerning potential claims (.3).
B470	04/10/24	N. Bull	0.40	Conference with D. Simon and M. Toney re MercyOne (.4).
B470	04/11/24	N. Bull	0.80	Conferences with M. Toney and B. Paulsen re MercyOne (.8).
B470	04/11/24	B. Paulsen	1.90	Conference with M. Toney and N. Bull re Mercy One Management Agreement (.5); review and analyze Mercy One Management Agreement and related documents (1.1); conference with M. Toney re Mercy One agreement (.3).
B470	04/13/24	B. Paulsen	1.10	Review Altera Agreement re potential claims (1.1).
B470	04/16/24	N. Bull	0.50	Conferences and correspondence with D. Simon and B. Paulsen re MercyOne (.5).

**Total Hours 174.20**

### Task Code Summary

444 West Lake Street Suite 4000 Chicago, IL 60606-0029 Tel +1 312 372 2000

US practice conducted through McDermott Will & Emery LLP.



**McDermott  
Will & Emery**

Mercy Hospital, Iowa City, Iowa

Client: 104125  
Invoice: 3897370  
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<b>Task Code</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>
B130	Asset Disposition	62.40	87,920.50
B150	Mtgs/Communications w/Creditor	2.30	2,541.50
B160	Fee/Employment Applications	7.90	8,902.00
B170	Fee/Employment Objections	0.20	221.00
B190	Other Contested Matters	4.20	6,450.00
B210	Business Operations	2.20	3,190.00
B220	Employee Benefits/Pensions	6.40	8,866.00
B260	Board of Directors Matters	1.50	2,775.00
B320	Plan and Disclosure Statement	78.60	95,296.00
B470	Litigation	8.50	10,165.00
		<hr/> 174.20	<hr/> 226,327.00





Mercy Hospital, Iowa City, Iowa  
Invoice: 3897370

05/29/2024

### Timekeeper Summary

Name	Hours	Rate	Amount
N. Bull	3.30	1,410.00	4,653.00
D. Golinghorst	3.50	945.00	3,307.50
J. Greathouse	3.90	1,300.00	5,070.00
J. Holdvogt	4.00	1,450.00	5,800.00
J. Kapp	55.80	1,450.00	80,910.00
E. Keil	72.90	1,105.00	80,554.50
B. Paulsen	5.20	1,060.00	5,512.00
F. Perlman	8.50	1,850.00	15,725.00
D. Simon	17.10	1,450.00	24,795.00
<b>Totals</b>	<b>174.20</b>		<b><u>\$226,327.00</u></b>

**EXHIBIT B**

**Expense Detail**



McDermott  
Will & Emery

Mercy Hospital, Iowa City, Iowa

Client: 104125  
Invoice: 3897370  
Invoice Date: 05/29/2024

### Costs and Other Charges

Timekeeper	Date	Description	Qty	Amount
D. Golinghorst	03/04/24	Professional Services VENDOR: BMO Harris Bank NA INVOICE#: 7079042624KD DATE: 4/26/2024 - Notarize transaction - Excel 3	0.00	25.00
D. Simon	03/17/24	Travel Expenses Uber re travel to Iowa City, Iowa for settlement conference	0.00	68.88
D. Simon	03/17/24	Travel Expenses Airfare re travel to Iowa City, Iowa for settlement conference	0.00	1,202.20
D. Simon	03/17/24	Business Meal Dinner re travel to Iowa City, Iowa for settlement conference	0.00	20.93
D. Simon	03/18/24	Travel Expenses Room rate/tax - Hotel stay re travel to Iowa City, Iowa for settlement conference (missed connection flight)	0.00	274.91
D. Simon	03/18/24	Travel Expenses Breakfast re travel to Iowa City, Iowa for settlement conference	0.00	13.08
D. Simon	03/18/24	Travel Expenses Uber ride re travel to Iowa City, Iowa for settlement conference	0.00	58.77
Total Costs and Other Charges				\$1,663.77